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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

Residential Capital, LLC, *et al.*

Debtors.

Chapter 11

Case No. 12-12020 (MG)

Jointly Administered

**STATEMENT OF THE STEERING COMMITTEE GROUP OF RMBS HOLDERS IN
SUPPORT OF THE OMNIBUS REPLY OF CERTAIN RMBS TRUSTEES TO RESPONSES
TO THE DEBTORS' MOTION FOR AN ORDER UNDER BANKRUPTCY CODE
SECTIONS 105(a) AND 363(b) AUTHORIZING THE DEBTORS TO ENTER INTO AND
PERFORM UNDER A PLAN SUPPORT AGREEMENT WITH ALLY FINANCIAL INC.,
THE CREDITORS' COMMITTEE, AND CERTAIN CONSENTING CLAIMANTS**

TO THE HONORABLE MARTIN GLENN:

The Steering Committee Group of RMBS Holders (the “Steering Committee Group”),¹ by and through its undersigned counsel, hereby submits this statement in support of the *Omnibus Reply of Certain RMBS Trustees to Responses to the Debtors’ Motion for an Order Under Bankruptcy Code Sections 105(a) and 363(b) Authorizing the Debtors to Enter Into and Perform Under a Plan Support Agreement with Ally Financial Inc., the Creditors’ Committee, and Certain Consenting Claimants* (the “RMBS Trustees Reply”),² and in support thereof, respectfully represents as follows:

Statement in Support

The Steering Committee Group is undoubtedly the largest group of holders of RMBS issued by the Debtors’ securitization trusts. The Steering Committee Group collectively holds more than \$12 billion of the Debtors’ RMBS (based on unpaid principal balance),³ and holds 25% or more of such securities in at least one tranche of 304 of the 392 trusts created by the Debtors between 2004 and 2007.⁴

Since before these cases were filed, the Steering Committee Group has taken a lead and active role in addressing the RMBS Trusts’ claims against the Debtors, including negotiating the original RMBS Settlement Agreement that was announced on the first day of these cases and

¹ The Steering Committee Group consists of AEGON USA Investment Management, LLC; Angelo, Gordon & Co., L.P.; Cascade Investment, LLC; Federal Home Loan Bank of Atlanta; Goldman Sachs Asset Management, L.P.; ING Investment Management Co. LLC; ING Investment Management, LLC; Bayerische Landesbank; BlackRock Financial Management Inc.; Kore Advisors, L.P.; Pacific Investment Management Company LLC; Metropolitan Life Insurance Company; Neuberger Berman Europe Limited; SNB StabFund; The TCW Group, Inc.; Teachers Insurance and Annuity Association of America; Thrivent Financial for Lutherans; Western Asset Management Company; and certain of their affiliates, either in their own capacities or as advisors or investment managers.

² Capitalized terms used but not defined herein shall have the meaning ascribed in the RMBS Trustees Reply.

³ See *Verified Statement of Gibbs and Bruns LLP Pursuant to Federal Rule of Bankruptcy Procedure 2019* [D.I. 1741] (holdings as of Sept. 26, 2012).

⁴ See *Debtors’ Second Supplemental Motion Pursuant to Fed. R. Bankr. P. 9019 for Approval of the RMBS Trust Settlement Agreements* [D.I. 1887] ¶ 3 (holdings as of Sept. 17, 2012).

filed shortly thereafter. The original RMBS Settlement Agreement sought to resolve the largest and most complex claims in these cases by providing the RMBS Trustees with the ability to opt-in to a settlement that would provide the trusts with a maximum claim of \$8.7 billion (including wrapped and unwrapped trusts). In addition to setting forth a resolution of the claims of the RMBS Trusts, the original proposed settlement was essential to facilitating the auction and sale of the Debtors' servicing platform, since the settlement proposed to settle the RMBS Trusts' asserted multi-billion dollar administrative "cure" claims and potential lien rights against the sale proceeds, each of which would have posed an impediment to the platform sale.

The RMBS Trustees were not bound to accept the original RMBS Settlement negotiated by the Steering Committee Group. Rather, the settlement, as proposed, preserved the independent right of the RMBS Trustees to assess the merits of the deal for each of the respective RMBS Trusts. In order to make this determination, each of the several RMBS Trustees and their professionals analyzed the proposed settlement, performed their own statistical sampling, and proposed various modifications to the agreement that were accepted by the Steering Committee Group and the Debtors. With such modifications, the RMBS Trustees made the independent and reasoned determination that the settlement was in the best interests of the trusts and their investors.

After nearly a year of thorough (and costly) litigation regarding the original RMBS Trust Settlement Agreement, nearly every constituency in these cases, including the RMBS Trustees, the Steering Committee Group, and the Official Committee of Unsecured Creditors, now supports the settlement, which is fully incorporated into the Plan Support Agreement. It is unthinkable that only a handful of outlier investors with minimal holdings that have not been meaningfully involved in these cases or plan negotiations would attempt to derail the

extraordinary progress and outcome represented by the Plan Support Agreement and the RMBS Settlement Agreement incorporated therein.

The Steering Committee Group, as a party to the Plan Support Agreement, as the largest group of investors in the Debtors' RMBS, and as the main beneficiaries of the largest group of creditors in these Debtors' cases, supports the Plan Support Agreement and the Proposed Findings requested by the RMBS Trustees.

WHEREFORE, the Steering Committee Group respectfully requests that the Court approve the PSA Motion and enter the Proposed Findings.

Dated: June 25, 2013
New York, New York

/s/ Keith H. Wofford

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